



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
BROOKFIELD PLACE, 200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

MEMO ENDORSED

February 16, 2021

VIA FAX AND ECF

The Honorable Valerie E. Caproni
United States District Judge
Southern District of New York
Thurgood Marshall
United States Courthouse
40 Foley Square
New York, NY 10007

USDC SDNY
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RE: SEC v. Malley et al., (21-CV-237) (VEC)

Dear Judge Caproni:

The SEC and Defendants Eric C. Malley and MG Capital Management LP, submit the following joint status report and adjournment request.

The SEC commenced this civil enforcement action on January 12, 2021. The SEC completed service on the Defendants and Relief Defendants in this action.

On the same date that the SEC commenced this action, the United States Attorneys' Office for the Southern District of New York ("USAO") unsealed its criminal complaint against Mr. Malley charging him with one count of securities fraud and one count of wire fraud and he was arrested. The allegations in the criminal complaint are based on the same facts alleged in the SEC's complaint. The parties are informed that the USAO plans to intervene in this action for the purposes of seeking a stay while the criminal action is proceeding. The Defendants will consent to such a stay application. The SEC will take no position as to such a stay application.

In light of the pending criminal action and the anticipated stay motion, the parties jointly request that the initial conference scheduled for February 26, 2021 be adjourned and rescheduled to a later date. This is the parties' first adjournment request. The parties likewise request leave from filing the joint letter, civil case management plan, and proposed scheduling order on February 18 as described in the Court's Amended Notice of Initial Pretrial Conference dated January 19, 2021.

Respectfully submitted,

/s/ Todd D. Brody
Todd D. Brody
Senior Trial Counsel

cc: Kerry A. Lawrence (by email)
Agents for service for Relief Defendants (by first class mail)

Application GRANTED. The initial pretrial conference is adjourned *sine die*. Any motion to intervene and stay this case must be made by **March 10, 2021**.

SO ORDERED.



HON. VALERIE CAPRONI
UNITED STATES DISTRICT JUDGE

2/17/2021